



INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

We Protect Hoosiers and Our Environment.

Mitchell E. Daniels Jr.
Governor

Thomas W. Easterly
Commissioner

100 North Senate Avenue
Indianapolis, Indiana 46204
(317) 232-8603
Toll Free (800) 451-6027
www.idem.IN.gov

TO: Interested Parties / Applicant

DATE: July 7, 2011

RE: Indiana – Kentucky Electric Corporation – Clifty Creek / 077-30123-00001

FROM: Matthew Stuckey, Branch Chief
Permits Branch
Office of Air Quality

Notice of Decision: Approval - Effective Immediately

Please be advised that on behalf of the Commissioner of the Department of Environmental Management, I have issued a decision regarding the enclosed matter. Pursuant to IC 13-15-5-3, this permit is effective immediately, unless a petition for stay of effectiveness is filed and granted according to IC 13-15-6-3, and may be revoked or modified in accordance with the provisions of IC 13-15-7-1.

If you wish to challenge this decision, IC 4-21.5-3 and IC 13-15-6-1 require that you file a petition for administrative review. This petition may include a request for stay of effectiveness and must be submitted to the Office of Environmental Adjudication, 100 North Senate Avenue, Government Center North, Suite N 501E, Indianapolis, IN 46204, **within eighteen (18) calendar days of the mailing of this notice**. The filing of a petition for administrative review is complete on the earliest of the following dates that apply to the filing:

- (1) the date the document is delivered to the Office of Environmental Adjudication (OEA);
- (2) the date of the postmark on the envelope containing the document, if the document is mailed to OEA by U.S. mail; or
- (3) The date on which the document is deposited with a private carrier, as shown by receipt issued by the carrier, if the document is sent to the OEA by private carrier.

The petition must include facts demonstrating that you are either the applicant, a person aggrieved or adversely affected by the decision or otherwise entitled to review by law. Please identify the permit, decision, or other order for which you seek review by permit number, name of the applicant, location, date of this notice and all of the following:

- (1) the name and address of the person making the request;
- (2) the interest of the person making the request;
- (3) identification of any persons represented by the person making the request;
- (4) the reasons, with particularity, for the request;
- (5) the issues, with particularity, proposed for considerations at any hearing; and
- (6) identification of the terms and conditions which, in the judgment of the person making the request, would be appropriate in the case in question to satisfy the requirements of the law governing documents of the type issued by the Commissioner.

If you have technical questions regarding the enclosed documents, please contact the Office of Air Quality, Permits Branch at (317) 233-0178. Callers from within Indiana may call toll-free at 1-800-451-6027, ext. 3-0178.

Enclosures
FNPER.dot12/03/07



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TITLE IV (ACID RAIN) PERMIT RENEWAL OFFICE OF AIR QUALITY

**Indiana - Kentucky Electric Corporation (IKEC) Clifty Creek
Generating Station
State Road 56 West,
Madison, Indiana 47250**

ORIS: 983

The owners and operators (hereinafter collectively known as the Permittee) of the above source are issued this permit under the provisions of 326 Indiana Administrative Code (IAC) 21 [326 IAC 21] with conditions listed on the attached pages.

Operation Permit No.: AR 077-30123-00001	
Issued by: <i>Tripurari P. Sinha</i> Tripurari P. Sinha, Ph. D., Section Chief Permits Branch Office of Air Quality	Issuance Date: July 7, 2011 Expiration Date: July 7, 2016

Title IV Operating Conditions

Title IV Source Description:

- (a) Five (5) wet-bottom pulverized coal-fired boilers identified as Units 1 through 5, with construction completed in 1955, each with a rated capacity of 1,869 million Btu per hour (MMBtu/hr). SO₃ flue gas conditioning systems are utilized as needed on Units 1 through 5 to maintain opacity and particulate limits. No. 2 fuel oil is combusted during startup and stabilization periods. Used oil generated at facilities within the OVEC-IKEC System may be combusted as supplemental fuel for energy recovery.

Units 1 through 5 have the following emission controls:

- over-fire air system (NO_x control)
- selective catalytic reduction (SCR) system (NO_x control)
- "cold-side" electrostatic precipitator (ESP) (particulate control)
- future flue gas desulfurization (FGD) system (SO₂ control), permitted by Permit No. SSM 077-24277-00001, issued on March 12, 2008.

- (1) Prior to installation of the FGD System:
Units 1, 2, and 3 exhaust to Stack 1. Units 4 and 5 exhaust to Stack 2. Stacks 1 and 2 have continuous opacity monitoring systems (COMS) and continuous emissions monitoring systems (CEMS) for nitrogen oxides (NO_x) and sulfur dioxide (SO₂).

- (2) After installation of the FGD System:
Units 1, 2, and 3 exhaust to Flue 13 of Stack 14. Units 4 and 5 exhaust to Flue 46 of Stack 14. Both Flue 13 and Flue 46 of Stack 14 have continuous emissions monitoring systems (CEMS) for nitrogen oxides (NO_x), sulfur dioxide (SO₂). Continuous opacity monitoring systems (COMS) will be located in the combined unit ducts between the outlets of the electrostatic precipitators (ESPs) and the inlet to the flue gas desulfurization (FGD) system.

- (b) One (1) wet-bottom pulverized coal-fired boiler identified as Unit 6, with construction completed in 1956, with a rated capacity of 1,869 million Btu per hour (MMBtu/hr). No. 2 fuel oil is combusted during startup and stabilization periods. Used oil generated at facilities within the OVEC-IKEC System may be combusted as supplemental fuel for energy recovery.

Unit 6 has the following emission controls:

- over-fire air system (NO_x control)
- "hot-side" electrostatic precipitator (ESP) (particulate control)
- future flue gas desulfurization (FGD) system (SO₂ control), permitted by Permit No. SSM 077-24277-00001, issued on March 12, 2008.

- (1) Prior to installation of the FGD System:
Unit 6 exhausts to Stack 2. Stack 2 has a continuous opacity monitoring system (COMS) and continuous emissions monitoring systems (CEMS) for nitrogen oxides (NO_x) and sulfur dioxide (SO₂).

- (2) After installation of the FGD System:
Unit 6 exhausts to Flue 46 of Stack 14. Flue 46 of Stack 14 has continuous emissions monitoring systems (CEMS) for nitrogen oxides (NO_x), sulfur dioxide (SO₂). Continuous opacity monitoring systems (COMS) will be located in the combined unit ducts between the outlets of the electrostatic precipitators (ESPs) and the inlet to the flue gas desulfurization (FGD) system.

(The information contained in this box is descriptive information and does not constitute enforceable conditions.)

1. Statutory and Regulatory Authorities

In accordance with IC 13-17-3-4 and IC 13-17-3-11, as well as Titles IV and V of the Clean Air Act, the Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) issues this permit pursuant to 326 IAC 2 and 326 IAC 21 (incorporates by reference 40 Code of Federal Regulations (CFR) 72 through 78).

2. Standard Permit Requirements [326 IAC 21]

- (a) The designated representative has submitted a complete acid rain permit application in accordance with 40 CFR 72.30.
- (b) The Permittee shall operate Units 1, 2, 3, 4, 5 and 6 in compliance with this permit.

3. Monitoring Requirements [326 IAC 21]

- (a) The Permittee and, to the extent applicable, the designated representative of Units 1, 2, 3, 4, 5 and 6 shall comply with the monitoring requirements as provided in 40 CFR 75 and 76.
- (b) The emissions measurements recorded and reported in accordance with 40 CFR 75 and 76 shall be used to determine compliance by Units 1, 2, 3, 4, 5 and 6 with the acid rain emissions limitations and emissions reduction requirements for sulfur dioxide and nitrogen oxides under the Acid Rain Program.
- (c) The requirements of 40 CFR 75 and 76 shall not affect the responsibility of the Permittee to monitor emissions of other pollutants or other emissions characteristics at Units 1, 2, 3, 4, 5 and 6 under other applicable requirements of the Clean Air Act and other provisions of the operating permit for the source.

4. Sulfur Dioxide Requirements [326 IAC 21]

- (a) The Permittee shall:
 - (1) Hold allowances, as of the allowance transfer deadline (as defined in 40 CFR 72.2), in the compliance subaccount of Units 1, 2, 3, 4, 5 and 6, after deductions under 40 CFR 73.34(c), not less than the total annual emissions of sulfur dioxide for the previous calendar year from Units 1, 2, 3, 4, 5 and 6; and
 - (2) Comply with the applicable acid rain emissions limitations for sulfur dioxide.
- (b) Each ton of sulfur dioxide emitted in excess of the acid rain emissions limitations for sulfur dioxide shall constitute a separate violation of the Clean Air Act.
- (c) Units 1, 2, 3, 4, 5 and 6 shall be subject to the requirements under paragraph 4(a) of the sulfur dioxide requirements as follows:
 - (1) Starting January 1, 2000, an affected unit under 40 CFR 72.6(a)(2); or,
 - (2) Starting on the latter of January 1, 2000, or the deadline for monitor certification under 40 CFR 75, an affected unit under 40 CFR 72.6(a)(3).
- (d) Allowances shall be held in, deducted from, or transferred among Allowance Tracking System accounts in accordance with the Acid Rain Program.

- (e) An allowance shall not be deducted in order to comply with the requirements under paragraph 4(a) of the sulfur dioxide requirements prior to the calendar year for which the allowance was allocated.
- (f) An allowance allocated by the U.S. EPA under the Acid Rain Program is a limited authorization to emit sulfur dioxide in accordance with the Acid Rain Program. No provision of the Acid Rain Program, the acid rain permit application, the acid rain permit, the acid rain portion of an operating permit, or the written exemption under 40 CFR 72.7 and 72.8 and 326 IAC 21, and no provision of law shall be construed to limit the authority of the United States to terminate or limit such authorization.
- (g) An allowance allocated by U.S. EPA under the Acid Rain Program does not constitute a property right.
- (h) No permit revision may be required for increases in emissions that are authorized by allowances acquired pursuant to the Acid Rain Program, provided that the increases do not require a permit revision under any other applicable requirement.
[326 IAC 2-7-5(4)(A)]
- (i) No limit shall be placed on the number of allowances held by the Permittee. The Permittee may not, however, use allowances as a defense to noncompliance with any applicable requirement other than the requirements of the Acid Rain Program.
[326 IAC 2-7-5(4)(B)]
- (j) Sulfur dioxide allowances shall be allocated to each unit at the source as follows:

Table 1						
SO ₂ Allowance Allocations (tons/year)						
	2005	2006	2007	2008	2009	2010 and beyond
Unit 1	8,465	8,465	8,465	8,465	8,465	8,480
Unit 2	8,324	8,324	8,324	8,324	8,324	8,338
Unit 3	8,573	8,573	8,573	8,573	8,573	8,589
Unit 4	8,434	8,434	8,434	8,434	8,434	8,449
Unit 5	8,132	8,132	8,132	8,132	8,132	8,146
Unit 6	8,560	8,560	8,560	8,560	8,560	8,574

5. Nitrogen Oxides Requirements [326 IAC 21]

- (a) The Permittee shall comply with the applicable acid rain emissions limitation of nitrogen oxides (NO_x) for Units 1, 2, 3, 4, 5, and 6.
- (b) NO_x Emission Averaging Plan for Unit 1:
 - (1) Pursuant to 40 CFR 76.11, the Indiana Department of Environmental Management, Office of Air Quality approves a NO_x emission averaging plan for Unit 1, effective for calendar years 2005 through 2016. Under this plan, the combined actual BTU-weighted annual average NO_x emission rates from the common stacks serving Units 1 through 6 at the Indiana-Kentucky Electric Corporation's Clifty Creek Station and the common stack serving Units 1 through 5 at the Ohio Valley Electric Corporation's Kyger Creek Station shall not exceed

0.84 lb/MMBtu.

- (2) The Permittee must annually demonstrate that Unit 1 meets the NO_x emission limit of 0.84 lb/MMBtu by showing that emissions at the common stack (through which emissions from Units 1, 2 and 3 are vented) meet such limit, based upon the data from certified continuous emission monitoring systems (CEMS) at common stack 1. CEMS certification must be performed in accordance with the requirements and specifications delineated at 40 CFR 75.
- (c) NO_x Emission Averaging Plan for Unit 2:
- (1) Pursuant to 40 CFR 76.11, the Indiana Department of Environmental Management, Office of Air Quality approves a NO_x emission averaging plan for Unit 2, effective for calendar years 2005 through 2016. Under this plan, the combined actual BTU-weighted annual average NO_x emission rates from the common stacks serving Units 1 through 6 at the Indiana-Kentucky Electric Corporation's Clifty Creek Station and the common stack serving Units 1 through 5 at the Ohio Valley Electric Corporation's Kyger Creek Station shall not exceed 0.84 lb/MMBtu.
 - (2) The Permittee must annually demonstrate that Unit 2 meets the NO_x emission limit of 0.84 lb/MMBtu by showing that emissions at the common stack (through which emissions from Units 1, 2 and 3 are vented) meet such limit, based upon the data from certified continuous emission monitoring systems (CEMS) at common stack 1. CEMS certification must be performed in accordance with the requirements and specifications delineated at 40 CFR 75.
- (d) NO_x Emission Averaging Plan for Unit 3:
- (1) Pursuant to 40 CFR 76.11, the Indiana Department of Environmental Management, Office of Air Quality approves a NO_x emission averaging plan for Unit 3, effective for calendar years 2005 through 2016. Under this plan, the combined actual BTU-weighted annual average NO_x emission rates from the common stacks serving Units 1 through 6 at the Indiana-Kentucky Electric Corporation's Clifty Creek Station and the common stack serving Units 1 through 5 at the Ohio Valley Electric Corporation's Kyger Creek Station shall not exceed 0.84 lb/MMBtu.
 - (2) The Permittee must annually demonstrate that Unit 3 meets the NO_x emission limit of 0.84 lb/MMBtu by showing that emissions at the common stack (through which emissions from Units 1, 2 and 3 are vented) meet such limit, based upon the data from certified continuous emission monitoring systems (CEMS) at common stack 1. CEMS certification must be performed in accordance with the requirements and specifications delineated at 40 CFR 75.

- (e) NO_x Emission Averaging Plan for Unit 4:
- (1) Pursuant to 40 CFR 76.11, the Indiana Department of Environmental Management, Office of Air Quality approves a NO_x emission averaging plan for Unit 4, effective for calendar years 2005 through 2016. Under this plan, the combined actual BTU-weighted annual average NO_x emission rates from the common stacks serving Units 1 through 6 at the Indiana-Kentucky Electric Corporation's Clifty Creek Station and the common stack serving Units 1 through 5 at the Ohio Valley Electric Corporation's Kyger Creek Station shall not exceed 0.84 lb/MMBtu.
 - (2) The Permittee must annually demonstrate that Unit 4 meets the NO_x emission limit of 0.84 lb/MMBtu by showing that emissions at the common stack (through which all emissions from Units 4, 5, and 6 are vented) meet such limit, based upon the data from certified continuous emission monitoring systems (CEMS) at common stack 2. CEMS certification must be performed in accordance with the requirements and specifications delineated at 40 CFR 75.
- (f) NO_x Emission Averaging Plan for Unit 5:
- (1) Pursuant to 40 CFR 76.11, the Indiana Department of Environmental Management, Office of Air Quality approves a NO_x emission averaging plan for Unit 5, effective for calendar years 2005 through 2016. Under this plan, the combined actual BTU-weighted annual average NO_x emission rates from the common stacks serving Units 1 through 6 at the Indiana-Kentucky Electric Corporation's Clifty Creek Station and the common stack serving Units 1 through 5 at the Ohio Valley Electric Corporation's Kyger Creek Station shall not exceed 0.84 lb/MMBtu.
 - (2) The Permittee must annually demonstrate that Unit 5 meets the NO_x emission limit of 0.84 lb/MMBtu by showing that emissions at the common stack (through which all emissions from Units 4, 5, and 6 are vented) meet such limit, based upon the data from certified continuous emission monitoring systems (CEMS) at common stack 2. CEMS certification must be performed in accordance with the requirements and specifications delineated at 40 CFR 75.
- (g) NO_x Emission Averaging Plan for Unit 6:
- (1) Pursuant to 40 CFR 76.11, the Indiana Department of Environmental Management, Office of Air Quality approves a NO_x emission averaging plan for Unit 6, effective for calendar years 2005 through 2016. Under this plan, the combined actual BTU-weighted annual average NO_x emission rates from the common stacks serving Units 1 through 6 at the Indiana-Kentucky Electric Corporation's Clifty Creek Station and the common stack serving Units 1 through 5 at the Ohio Valley Electric Corporation's Kyger Creek Station shall not exceed 0.84 lb/MMBtu.
 - (2) The Permittee must annually demonstrate that Unit 6 meets the NO_x emission limit of 0.84 lb/MMBtu by showing that emissions at the common stack (through which emissions from Units 4, 5, and 6 are vented) meet such limit, based upon the data from certified continuous emission monitoring systems (CEMS) at common stack 2. CEMS certification must be performed in accordance with the requirements and specifications delineated at 40 CFR 75.
- (h) Under the plan, the actual Btu-weighted annual average NO_x emission rate for Units 1, 2, 3, 4, 5, and 6 shall be less than or equal to the Btu-weighted annual average NO_x emission rate for the same units had they each been operated, during the same period

of time, in compliance with the applicable emission limitations under 40 CFR 76.5. If the designated representative demonstrates that the requirement of the prior sentence (as set forth in 40 CFR 76.11(d)(1)(ii)(A)) is met for a year under the plan, then Units 1, 2, 3, 4, 5, and 6 shall be deemed to be in compliance for that year with its alternative contemporaneous annual emission limitation and annual heat input limit.

- (i) In accordance with 40 CFR 72.40(b)(2), approval of the averaging plan shall be final only when the Ohio Environmental Protection Agency has also approved this averaging plan.
- (j) In addition to the described NO_x compliance plan, Units 1, 2, 3, 4, 5, and 6 shall comply with all other applicable requirements of 40 CFR 76, including the duty to reapply for a NO_x compliance plan and requirements covering excess emissions.

6. Excess Emissions Requirements [40 CFR 77] [326 IAC 21]

(a) If Units 1, 2, 3, 4, 5, and 6 have excess emissions of sulfur dioxide in any calendar year, the designated representative shall submit a proposed offset plan to U.S. EPA and IDEM, OAQ as required under 40 CFR 77 and 326 IAC 21.

(b) The designated representative shall submit required information to:

Indiana Department of Environmental Management
Compliance and Enforcement Branch, Office of Air Quality
100 North Senate Avenue
MC 61-53, IGCN 1003
Indianapolis, Indiana 46204-2251

and

U.S. Environmental Protection Agency
Clean Air Markets Division
1200 Pennsylvania Avenue, NW
Mail Code (6204N)
Washington, DC 20460

(c) If Units 1, 2, 3, 4, 5, and 6 have excess emissions, as defined in 40 CFR 72.2, in any calendar year, the Permittee shall:

- (1) Pay to U.S. EPA without demand the penalty required, and pay to U.S. EPA upon demand the interest on that penalty, as required by 40 CFR 77 and 326 IAC 21; and,
- (2) Comply with the terms of an approved sulfur dioxide offset plan, as required by 40 CFR 77 and 326 IAC 21.

7. Record Keeping and Reporting Requirements [326 IAC 21]

(a) Unless otherwise provided, the Permittee shall keep on site each of the following documents for a period of 5 years, as required by 40 CFR 72.9(f), from the date the document is created. This period may be extended for cause, at any time prior to the end of the 5 years, in writing by U.S. EPA or IDEM, OAQ:

- (1) The certificate of representation for the designated representative of Units 1, 2, 3, 4, 5, and 6 and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with 40 CFR 72.24; provided that the certificate and documents shall be retained on site at the source beyond such 5 year period until such documents are superseded because of the submission of a new certificate of representation changing the designated representative;
 - (2) All emissions monitoring information collected in accordance with 40 CFR 75 shall be retained on site for 3 years;
 - (3) Copies of all reports, compliance certifications, and other submissions and all records made or required under the Acid Rain Program; and,
 - (4) Copies of all documents used to complete an acid rain permit application and any other submission under the Acid Rain Program or to demonstrate compliance with the requirements of the Acid Rain Program.
- (b) The designated representative of Units 1, 2, 3, 4, 5, and 6 shall submit the reports and compliance certifications required under the Acid Rain Program, including those under 40 CFR 72.90 subpart I, 40 CFR 75, and 326 IAC 21. The required information is to be submitted to the appropriate authority(ies) as specified in 40 CFR 72.90 subpart I and 40 CFR 75.

8. Submissions [326 IAC 21]

- (a) The designated representative of Units 1, 2, 3, 4, 5, and 6 shall submit a certificate of representation, and any superseding certificate of representation, to U.S. EPA and IDEM, OAQ in accordance with 40 CFR 72 and 326 IAC 21.
- (b) The designated representative shall submit required information to:

Indiana Department of Environmental Management
Permit Administration and Support Section, Office of Air Quality
100 North Senate Avenue
MC 61-53, IGCN 1003
Indianapolis, Indiana 46204-2251

and

U.S. Environmental Protection Agency
Clean Air Markets Division
1200 Pennsylvania Avenue, NW
Mail Code (6204N)
Washington, DC 20460
- (c) Each such submission under the Acid Rain Program shall be submitted, signed and certified by the designated representative for all sources on behalf of which the submission is made.
- (d) In each submission under the Acid Rain Program, the designated representative shall certify, by his or her signature, the following statements which shall be included verbatim in the submission:
 - (1) "I am authorized to make this submission on behalf of the owners and operators of the affected source or affected units for which the submission is made."; and,

- (2) "I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment."
- (e) The designated representative of Units 1, 2, 3, 4, 5, and 6 shall notify the Permittee:
 - (1) By the date of submission, of any Acid Rain Program submissions by the designated representative;
 - (2) Within 10 business days of receipt of any written determination by U.S. EPA or IDEM, OAQ; and,
 - (3) Provided that the submission or determination covers Units 1, 2, 3, 4, 5, and 6.
- (f) The designated representative of Units 1, 2, 3, 4, 5, and 6 shall provide the Permittee a copy of any submission or determination under paragraph (e) of this section, unless the Permittee expressly waives the right to receive a copy.

9. Severability [326 IAC 21]

Invalidation of the acid rain portion of an operating permit does not affect the continuing validity of the rest of the operating permit, nor shall invalidation of any other portion of the operating permit affect the continuing validity of the acid rain portion of the permit. [40 CFR 72.72(b), 326 IAC 21, and 326 IAC 2-7-5(5)]

10. Liability [326 IAC 21]

- (a) Any person who knowingly violates any requirement or prohibition of the Acid Rain Program, an acid rain permit, an acid rain portion of an operation permit, or a written exemption under 40 CFR 72.7 or 72.8, including any requirement for the payment of any penalty owed to the United States, shall be subject to enforcement by U.S. EPA pursuant to Section 113(c) of the Clean Air Act and shall be subject to enforcement by IDEM pursuant to 326 IAC 21 and IC 13-30-3.
- (b) Any person who knowingly makes a false, material statement in any record, submission, or report under the Acid Rain Program shall be subject to criminal enforcement pursuant to Section 113(c) of the Clean Air Act, 18 U.S.C. 1001 and IDEM pursuant to 326 IAC 21 and IC 13-30-6-2.
- (c) No permit revision shall excuse any violation of the requirements of the Acid Rain Program that occurs prior to the date that the revision takes effect.
- (d) Units 1, 2, 3, 4, 5, and 6 shall meet the requirements of the Acid Rain Program.
- (e) Any provision of the Acid Rain Program that applies to Units 1, 2, 3, 4, 5, and 6, including a provision applicable to the designated representative of Units 1, 2, 3, 4, 5, and 6 shall also apply to the Permittee.

- (f) Any provision of the Acid Rain Program that applies to Units 1, 2, 3, 4, 5, and 6, including a provision applicable to the designated representative, shall also apply to the Permittee. Except as provided under 40 CFR 72.44 (Phase II repowering extension plans) and 40 CFR 76.11 (NO_x averaging plans), and except with regard to the requirements applicable to units with a common stack under 40 CFR 75, including 40 CFR 75.16, 75.17, and 75.18, the Permittee and the designated representative of one affected unit shall not be liable for any violation by any other affected unit of which they are not owners or operators or the designated representative and that is located at a source of which they are not owners or operators or the designated representative.
- (g) Each violation of a provision of 40 CFR parts 72, 73, 75, 76, 77, and 78 by Units 1, 2, 3, 4, 5, and 6, or by the Permittee or designated representative, shall be a separate violation of the Clean Air Act.

11. Effect on Other Authorities [326 IAC 21]

No provision of the Acid Rain Program, an acid rain permit application, an acid rain permit, an acid rain portion of an operation permit, or a written exemption under 40 CFR 72.7 or 72.8 shall be construed as:

- (a) Except as expressly provided in Title IV of the Clean Air Act (42 USC 7651 to 7651(o)), exempting or excluding the Permittee and, to the extent applicable, the designated representative of Units 1, 2, 3, 4, 5, and 6 from compliance with any other provision of the Clean Air Act, including the provisions of Title I of the Clean Air Act relating to applicable National Ambient Air Quality Standards or State Implementation Plans;
- (b) Limiting the number of allowances a unit can hold; provided, that the number of allowances held by the unit shall not affect the source's obligation to comply with any other provisions of the Clean Air Act;
- (c) Requiring a change of any kind in any state law regulating electric utility rates and charges, affecting any state law regarding such state regulation, or limiting such state regulation, including any prudence review requirements under such state law;
- (d) Modifying the Federal Power Act (16 USC 791(a) et seq.) or affecting the authority of the Federal Energy Regulatory Commission under the Federal Power Act; or,
- (e) Interfering with or impairing any program for competitive bidding for power supply in a state in which such a program is established.

Indiana Department of Environmental Management Office of Air Quality

Technical Support Document For a Title IV (Acid Rain) Permit Renewal

Source Background and Description

Source Name:	Indiana - Kentucky Electric Corporation - Clifty Creek
Source Location:	State Road 56 West, Madison, IN 47250
Mailing Address:	P.O Box 468, Piketon, OH 45661
County:	Jefferson
Operated By:	Indiana-Kentucky Electric Corporation
Designated Representative:	Donald T. Fulkerson
ORIS Code:	983
Previous Title IV (Acid Rain) Permit No.:	AR 077-18761-00001
Title IV (Acid Rain) Renewal Permit No.:	AR 077-30123-00001
Permit Reviewer:	Josiah Balogun

The Indiana Department of Environmental Management (IDEM), Office of Air Quality (OAQ) has reviewed a Title IV (Acid Rain) permit renewal application submitted by Indiana - Kentucky Electric Corporation - Clifty Creek on January 14, 2011. The application is for the operation of the following affected units at a station located at State Road 56 West, Madison, Indiana.

- (a) Five (5) wet-bottom pulverized coal-fired boilers identified as Units 1 through 5, with construction completed in 1955, each with a rated capacity of 1,869 million Btu per hour (MMBtu/hr). SO₃ flue gas conditioning systems are utilized as needed on Units 1 through 5 to maintain opacity and particulate limits. No. 2 fuel oil is combusted during startup and stabilization periods. Used oil generated at facilities within the OVEC-IKEC System may be combusted as supplemental fuel for energy recovery.

Units 1 through 5 have the following emission controls:

- over-fire air system (NO_x control)
- selective catalytic reduction (SCR) system (NO_x control)
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- future flue gas desulfurization (FGD) system (SO₂ control), permitted by Permit No. SSM 077-24277-00001, issued on March 12, 2008.

- (1) Prior to installation of the FGD System:
Units 1, 2, and 3 exhaust to Stack 1. Units 4 and 5 exhaust to Stack 2. Stacks 1 and 2 have continuous opacity monitoring systems (COMS) and continuous emissions monitoring systems (CEMS) for nitrogen oxides (NO_x) and sulfur dioxide (SO₂).
- (2) After installation of the FGD System:
Units 1, 2, and 3 exhaust to Flue 13 of Stack 14. Units 4 and 5 exhaust to Flue 46 of Stack 14. Both Flue 13 and Flue 46 of Stack 14 have continuous emissions monitoring systems (CEMS) for nitrogen oxides (NO_x), sulfur dioxide (SO₂). Continuous opacity monitoring systems (COMS) will be located in the combined unit ducts between the outlets of the electrostatic precipitators (ESPs) and the inlet to the flue gas desulfurization (FGD) system.

- (b) One (1) wet-bottom pulverized coal-fired boiler identified as Unit 6, with construction completed in 1956, with a rated capacity of 1,869 million Btu per hour (MMBtu/hr). No. 2 fuel oil is combusted during startup and stabilization periods. Used oil generated at facilities within the OVEC-IKEC System may be combusted as supplemental fuel for energy recovery.

Unit 6 has the following emission controls:

- over-fire air system (NO_x control)
 - "hot-side" electrostatic precipitator (ESP) (particulate control)
 - future flue gas desulfurization (FGD) system (SO₂ control), permitted by Permit No. SSM 077-24277-00001, issued on March 12, 2008.
- (1) Prior to installation of the FGD System:
Unit 6 exhausts to Stack 2. Stack 2 has a continuous opacity monitoring system (COMS) and continuous emissions monitoring systems (CEMS) for nitrogen oxides (NO_x) and sulfur dioxide (SO₂).
- (2) After installation of the FGD System:
Units 6 exhausts to Flue 46 of Stack 14. Flue 46 of Stack 14 has continuous emissions monitoring systems (CEMS) for nitrogen oxides (NO_x), sulfur dioxide (SO₂). Continuous opacity monitoring systems (COMS) will be located in the combined unit ducts between the outlets of the electrostatic precipitators (ESPs) and the inlet to the flue gas desulfurization (FGD) system.

This Title IV (Acid Rain) permit renewal AR 077-30123-00001, when issued, will have a term of five years and will involve the same affected units as indicated in the initial Title IV (Acid Rain) permit AR 077-18761-00001.

Existing Title IV (Acid Rain) Approvals

The source has been operating under the following previous Title IV (Acid Rain) approvals:

- (a) AR 077-18761-00001, issued on October 18, 2006.

Indiana - Kentucky Electric Corporation was issued a Title IV permit for the Indiana - Kentucky Electric Corporation - Clifty Creek, effective from October 18, 2006 to October 18, 2011. January 14, 2011, Indiana - Kentucky Electric Corporation submitted a Phase II NO_x Compliance Plan and incorporated a Phase II NO_x Averaging Plan for the Indiana - Kentucky Electric Corporation - Clifty Creek. The aforementioned revision(s) have been combined into this renewal permit.

Program Description

The following information is provided to explain the Acid Rain Program.

- (a) **Goal of the Program**
The goal of the 1990 Clean Air Act (CAA) Amendments, Acid Rain Program is to reduce the impact of man-made emissions of sulfur dioxide (SO₂) and nitrogen oxide (NO_x) on lakes, streams, forests, crops and, most important, the health of the public, by a nationwide SO₂ allocation of emissions from power plants. While it may not seem to be a local problem, the information collected shows a need for this reduction. This is because these emissions can be transported great distances. Results of the SO₂ and NO_x program, along with past, present and future plans, can be found on the Internet at <http://www.epa.gov/airmarkets/>. Additional information in the form of maps showing the results of the SO₂ and NO_x limitations can be found on the Internet at <http://nadp.sws.uiuc.edu/>.
- (b) **Federal Rules**
The emission allowances and conditions in this draft Title IV (Acid Rain) permit were taken from the limits developed by the U.S. EPA for the Acid Rain Program pursuant to

Specific NO_x Compliance and Averaging Plan

There are six (6) affected units, identified as (Units 1, 2, 3, 4, 5 and 6), in this generating station. Table 2 and 3 below summarize the NO_x compliance and averaging plan for these unit(s).

Table 2			
Calendar Years 2005 to 2016	Emission Limitation per 40 CFR 76.5, 76.6 or 76.7 (lb/MMBTU)	Alternative Limit (lb/MMBTU)	Heat Input Limit (MMBTU)
Unit 1	0.84	0.84	N/A
Unit 2	0.84	0.84	N/A
Unit 3	0.84	0.84	N/A
Unit 4	0.84	0.84	N/A
Unit 5	0.84	0.84	N/A
Unit 6	0.84	0.84	N/A

The BTU weighted annual emission rate average over the units if they are operated in accordance with the proposed averaging plans = BTU weighted annual average emission rate for same units operated in compliance with 40 CFR 76 = 0.84

Table 3			
List of Sources Participating in the NO _x Averaging Plan as submitted on January 14, 2011 Calendar Years 2005 to 2016			
Source Names	No. of Units	Source Names	No. of Units
Kyger Creek	5	Clifty Creek	6
Total No. of Units			11
Total No. of Sources			2

Emissions Monitoring Requirements

The Permittee and, to the extent applicable, the designated representative of Units 1, 2, 3, 4, 5 and 6 must comply with the monitoring requirements set out in 40 CFR 75 and 72.9(b)(1) and (2). The source must measure and record its emissions of sulfur dioxide. The source must report these measurements to IDEM and U.S. EPA. These records and reports are used to determine if the source is in compliance with the sulfur dioxide allocation program. The requirements of the Title IV (Acid Rain) permit do not affect the source's responsibility to monitor emissions of other pollutants or other emissions characteristics required by the Clean Air Act and other operating permit provisions. Monitoring requirements outlined in the source's Title IV (Acid Rain) permit renewal application are considered as part of the Title IV (Acid Rain) renewal permit.

Other Record Keeping and Reporting Requirements

The source must keep copies of all reports and compliance certifications that it submits to demonstrate compliance with the requirements of the Title IV (Acid Rain) permit for five years. The source must submit the reports and compliance certifications required by the Title IV (Acid Rain) permit to the U.S. EPA and IDEM, OAQ. Record keeping and reporting requirements outlined in the Title IV (Acid Rain) renewal application are considered part of the Title IV (Acid Rain) renewal permit.

Submissions

The designated representative for each emissions unit must sign and certify every report or other submission required by the Title IV (Acid Rain) renewal permit. The designated representative must include the following certification statement in every submission:

"I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment."

The designated representative must send the Permittee a notification regarding every submission. The designated representative must also notify the Permittee within ten (10) business days of the receipt of any written determination made by U.S. EPA or IDEM.

Draft Title IV (Acid Rain) Permit Renewal

IDEM has preliminarily determined that the source meets the requirements of Indiana Code (IC) 13-17-3-4 and IC 13-17-3-11, as well as Title IV of the Clean Air Act. IDEM proposes this draft Title IV (Acid Rain) permit renewal pursuant to 326 IAC 21.

Recommendation

The staff recommends that the Title IV Acid Rain permit renewal be approved. This recommendation is based on the following facts and conditions.

Unless otherwise stated, information used in this review was derived from the application and additional information submitted by the applicant.

IDEM Contacts

- (a) **Permit**
Questions regarding the proposed Title IV (Acid Rain) renewal permit can be directed to Josiah Balogun at the Indiana Department Environmental Management (IDEM), Office of Air Quality (OAQ), 100 North Senate Avenue, MC 61-53 IGCN 1003, Indianapolis, Indiana 46204-2251 or by telephone at (317) 234-5257 or toll free at 1-800-451-6027 extension 4-5257.
- (b) **Compliance Inspection**
The source will be inspected by IDEM's compliance inspection staff. Persons seeking to obtain information regarding the source's compliance status or to report any potential violation of any permit condition should contact Dan Hancock at the Office of Air Quality (OAQ) address above or by telephone at (317) 232-8429 or toll free at 1-800-451-6027 extension 2-8429.
- (c) **Copies**
Copies of the Code of Federal Regulations (CFR) referenced in the permit may be obtained from:

Indiana Department of Environmental Management
Office of Air Quality
MC 61-53 IGCN 1003
Indianapolis, Indiana 46204-2251

or

The Government Printing Office
Washington, D.C. 20402

or

on the Government Printing Office website at
<http://www.access.gpo.gov/nara/cfr/index.html>

Clifty Creek Station
Facility (Source) Name (from STEP 1)

Permit Requirements

STEP 3

Read the standard requirements.

- (1) The designated representative of each affected source and each affected unit at the source shall:
 - (i) Submit a complete Acid Rain permit application (including a compliance plan) under 40 CFR part 72 in accordance with the deadlines specified in 40 CFR 72.30; and
 - (ii) Submit in a timely manner any supplemental information that the permitting authority determines is necessary in order to review an Acid Rain permit application and issue or deny an Acid Rain permit;
- (2) The owners and operators of each affected source and each affected unit at the source shall:
 - (i) Operate the unit in compliance with a complete Acid Rain permit application or a superseding Acid Rain permit issued by the permitting authority; and
 - (ii) Have an Acid Rain Permit.

Monitoring Requirements

- (1) The owners and operators and, to the extent applicable, designated representative of each affected source and each affected unit at the source shall comply with the monitoring requirements as provided in 40 CFR part 75.
- (2) The emissions measurements recorded and reported in accordance with 40 CFR part 75 shall be used to determine compliance by the source or unit, as appropriate, with the Acid Rain emissions limitations and emissions reduction requirements for sulfur dioxide and nitrogen oxides under the Acid Rain Program.
- (3) The requirements of 40 CFR part 75 shall not affect the responsibility of the owners and operators to monitor emissions of other pollutants or other emissions characteristics at the unit under other applicable requirements of the Act and other provisions of the operating permit for the source.

Sulfur Dioxide Requirements

- (1) The owners and operators of each source and each affected unit at the source shall:
 - (i) Hold allowances, as of the allowance transfer deadline, in the source's compliance account (after deductions under 40 CFR 73.34(c)), not less than the total annual emissions of sulfur dioxide for the previous calendar year from the affected units at the source; and
 - (ii) Comply with the applicable Acid Rain emissions limitations for sulfur dioxide.
- (2) Each ton of sulfur dioxide emitted in excess of the Acid Rain emissions limitations for sulfur dioxide shall constitute a separate violation of the Act.
- (3) An affected unit shall be subject to the requirements under paragraph (1) of the sulfur dioxide requirements as follows:
 - (i) Starting January 1, 2000, an affected unit under 40 CFR 72.6(a)(2); or
 - (ii) Starting on the later of January 1, 2000 or the deadline for monitor certification under 40 CFR part 75, an affected unit under 40 CFR 72.6(a)(3).

Clifty Creek Station
Facility (Source) Name (from STEP 1)

Sulfur Dioxide Requirements, Cont'd.

STEP 3, Cont'd.

(4) Allowances shall be held in, deducted from, or transferred among Allowance Tracking System accounts in accordance with the Acid Rain Program.

(5) An allowance shall not be deducted in order to comply with the requirements under paragraph (1) of the sulfur dioxide requirements prior to the calendar year for which the allowance was allocated.

(6) An allowance allocated by the Administrator under the Acid Rain Program is a limited authorization to emit sulfur dioxide in accordance with the Acid Rain Program. No provision of the Acid Rain Program, the Acid Rain permit application, the Acid Rain permit, or an exemption under 40 CFR 72.7 or 72.8 and no provision of law shall be construed to limit the authority of the United States to terminate or limit such authorization.

(7) An allowance allocated by the Administrator under the Acid Rain Program does not constitute a property right.

Nitrogen Oxides Requirements

The owners and operators of the source and each affected unit at the source shall comply with the applicable Acid Rain emissions limitation for nitrogen oxides.

Excess Emissions Requirements

(1) The designated representative of an affected source that has excess emissions in any calendar year shall submit a proposed offset plan, as required under 40 CFR part 77.

(2) The owners and operators of an affected source that has excess emissions in any calendar year shall:

- (i) Pay without demand the penalty required, and pay upon demand the interest on that penalty, as required by 40 CFR part 77; and
- (ii) Comply with the terms of an approved offset plan, as required by 40 CFR part 77.

Recordkeeping and Reporting Requirements

(1) Unless otherwise provided, the owners and operators of the source and each affected unit at the source shall keep on site at the source each of the following documents for a period of 5 years from the date the document is created. This period may be extended for cause, at any time prior to the end of 5 years, in writing by the Administrator or permitting authority:

- (i) The certificate of representation for the designated representative for the source and each affected unit at the source and all documents that demonstrate the truth of the statements in the certificate of representation, in accordance with 40 CFR 72.24; provided that the certificate and documents shall be retained on site at the source beyond such 5-year period until such documents are superseded because of the submission of a new certificate of representation changing the designated representative;

Clifty Creek Station
Facility (Source) Name (from STEP 1)

Recordkeeping and Reporting Requirements, Cont'd.

STEP 3, Cont'd.

- (ii) All emissions monitoring information, in accordance with 40 CFR part 75, provided that to the extent that 40 CFR part 75 provides for a 3-year period for recordkeeping, the 3-year period shall apply.
 - (iii) Copies of all reports, compliance certifications, and other submissions and all records made or required under the Acid Rain Program; and,
 - (iv) Copies of all documents used to complete an Acid Rain permit application and any other submission under the Acid Rain Program or to demonstrate compliance with the requirements of the Acid Rain Program.
- (2) The designated representative of an affected source and each affected unit at the source shall submit the reports and compliance certifications required under the Acid Rain Program, including those under 40 CFR part 72 subpart I and 40 CFR part 75.

Liability

- (1) Any person who knowingly violates any requirement or prohibition of the Acid Rain Program, a complete Acid Rain permit application, an Acid Rain permit, or an exemption under 40 CFR 72.7 or 72.8, including any requirement for the payment of any penalty owed to the United States, shall be subject to enforcement pursuant to section 113(c) of the Act.
- (2) Any person who knowingly makes a false, material statement in any record, submission, or report under the Acid Rain Program shall be subject to criminal enforcement pursuant to section 113(c) of the Act and 18 U.S.C. 1001.
- (3) No permit revision shall excuse any violation of the requirements of the Acid Rain Program that occurs prior to the date that the revision takes effect.
- (4) Each affected source and each affected unit shall meet the requirements of the Acid Rain Program.
- (5) Any provision of the Acid Rain Program that applies to an affected source (including a provision applicable to the designated representative of an affected source) shall also apply to the owners and operators of such source and of the affected units at the source.
- (6) Any provision of the Acid Rain Program that applies to an affected unit (including a provision applicable to the designated representative of an affected unit) shall also apply to the owners and operators of such unit.
- (7) Each violation of a provision of 40 CFR parts 72, 73, 74, 75, 76, 77, and 78 by an affected source or affected unit, or by an owner or operator or designated representative of such source or unit, shall be a separate violation of the Act.

Effect on Other Authorities

No provision of the Acid Rain Program, an Acid Rain permit application, an Acid Rain permit, or an exemption under 40 CFR 72.7 or 72.8 shall be construed as:

- (1) Except as expressly provided in title IV of the Act, exempting or excluding the owners and operators and, to the extent applicable, the designated representative of an affected source or affected unit from compliance with any other provision of the Act, including the provisions of title I of the Act relating

Clifty Creek Station Facility (Source) Name (from STEP 1)

Effect on Other Authorities, Cont'd.

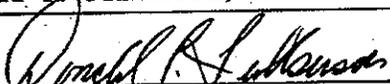
STEP 3, Cont'd.

- to applicable National Ambient Air Quality Standards or State Implementation Plans;
- (2) Limiting the number of allowances a source can hold; *provided*, that the number of allowances held by the source shall not affect the source's obligation to comply with any other provisions of the Act;
 - (3) Requiring a change of any kind in any State law regulating electric utility rates and charges, affecting any State law regarding such State regulation, or limiting such State regulation, including any prudence review requirements under such State law;
 - (4) Modifying the Federal Power Act or affecting the authority of the Federal Energy Regulatory Commission under the Federal Power Act; or,
 - (5) Interfering with or impairing any program for competitive bidding for power supply in a State in which such program is established.

Certification

STEP 4
 Read the certification statement, sign, and date.

I am authorized to make this submission on behalf of the owners and operators of the affected source or affected units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment.

Name Donald T. Fulkerson, Acid Rain Designated Representative	
Signature 	Date 1-12-11



Phase II NO_x Compliance Plan

For more information, see instructions and refer to 40 CFR 76.9
This submission is: New Revised

STEP 1

Indicate plant name, State, and ORIS code from NADB, if applicable

Plant Name Clifty Creek Station	IN State	0983 ORIS Code
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STEP 2

Identify each affected Group 1 and Group 2 boiler using the boiler ID# from NADB, if applicable. Indicate boiler type: "CB" for cell burner, "CY" for cyclone, "DBW" for dry bottom wall-fired, "T" for tangentially fired, "V" for vertically fired, and "WB" for wet bottom. Indicate the compliance option selected for each unit.

ID# 1	ID# 2	ID# 3	ID# 4	ID# 5	ID# 6
Type WB					

(a) Standard annual average emission limitation of 0.50 lb/mmBtu (for Phase I dry bottom wall-fired boilers)

<input type="checkbox"/>					
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(b) Standard annual average emission limitation of 0.45 lb/mmBtu (for Phase I tangentially fired boilers)

<input type="checkbox"/>					
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(c) EPA-approved early election plan under 40 CFR 76.8 through 12/31/07 (also indicate above emission limit specified in plan)

<input type="checkbox"/>					
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(d) Standard annual average emission limitation of 0.46 lb/mmBtu (for Phase II dry bottom wall-fired boilers)

<input type="checkbox"/>					
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(e) Standard annual average emission limitation of 0.40 lb/mmBtu (for Phase II tangentially fired boilers)

<input type="checkbox"/>					
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

(f) Standard annual average emission limitation of 0.68 lb/mmBtu (for cell burner boilers)

<input type="checkbox"/>					
--------------------------	--------------------------	--------------------------	--------------------------	--------------------------	--------------------------

(g) Standard annual average emission limitation of 0.86 lb/mmBtu (for cyclone boilers)

<input type="checkbox"/>					
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(h) Standard annual average emission limitation of 0.80 lb/mmBtu (for vertically fired boilers)

<input type="checkbox"/>					
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(i) Standard annual average emission limitation of 0.84 lb/mmBtu (for wet bottom boilers)

<input checked="" type="checkbox"/>					
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(j) NO_x Averaging Plan (include NO_x Averaging form)

<input type="checkbox"/>					
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(k) Common stack pursuant to 40 CFR 75.17(a)(2)(i)(A) (check the standard emission limitation box above for most stringent limitation applicable to any unit utilizing stack)

<input type="checkbox"/>					
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(l) Common stack pursuant to 40 CFR 75.17(a)(2)(i)(B) with NO_x Averaging (check the NO_x Averaging Plan box and include NO_x Averaging form)

<input type="checkbox"/>					
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Clifty Creek Station

Plant Name (from Step 1)

STEP 2, cont'd.

ID# 1	ID# 2	ID# 3	ID# 4	ID# 5	ID# 6
Type WB					

(m) EPA-approved common stack apportionment method pursuant to 40 CFR 75.17(a)(2)(i)(C), (a)(2)(ii)(B), or (b)(2)

(n) AEL (include Phase II AEL Demonstration Period, Final AEL Petition, or AEL Renewal form as appropriate)

(o) Petition for AEL demonstration period or final AEL under review by U.S. EPA or demonstration period ongoing

(p) Repowering extension plan approved or under review

<input type="checkbox"/>					
<input type="checkbox"/>					
<input type="checkbox"/>					
<input type="checkbox"/>					

STEP 3
Read the standard requirements and certification, enter the name of the designated representative, sign &

Standard Requirements

General. This source is subject to the standard requirements in 40 CFR 72.9 (consistent with 40 CFR 76.8(e)(1)(i)). These requirements are listed in this source's Acid Rain Permit.

Special Provisions for Early Election Units

Nitrogen Oxides. A unit that is governed by an approved early election plan shall be subject to an emissions limitation for NO_x as provided under 40 CFR 76.8(a)(2) except as provided under 40 CFR 76.8(e)(3)(iii).

Liability. The owners and operators of a unit governed by an approved early election plan shall be liable for any violation of the plan or 40 CFR 76.8 at that unit. The owners and operators shall be liable, beginning January 1, 2000, for fulfilling the obligations specified in 40 CFR Part 77.

Termination. An approved early election plan shall be in effect only until the earlier of January 1, 2008 or January 1 of the calendar year for which a termination of the plan takes effect. If the designated representative of the unit under an approved early election plan fails to demonstrate compliance with the applicable emissions limitation under 40 CFR 76.5 for any year during the period beginning January 1 of the first year the early election takes effect and ending December 31, 2007, the permitting authority will terminate the plan. The termination will take effect beginning January 1 of the year after the year for which there is a failure to demonstrate compliance, and the designated representative may not submit a new early election plan. The designated representative of the unit under an approved early election plan may terminate the plan any year prior to 2008 but may not submit a new early election plan. In order to terminate the plan, the designated representative must submit a notice under 40 CFR 72.40(d) by January 1 of the year for which the termination is to take effect. If an early election plan is terminated any year prior to 2000, the unit shall meet, beginning January 1, 2000, the applicable emissions limitation for NO_x for Phase II units with Group 1 boilers under 40 CFR 76.7. If an early election plan is terminated on or after 2000, the unit shall meet, beginning on the effective date of the termination, the applicable emissions limitation for NO_x for Phase II units with Group 1 boilers under 40 CFR 76.7.

Certification

I am authorized to make this submission on behalf of the owners and operators of the affected source or affected units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment.

Name Donald T. Fulkerson, Acid Rain Designated Representative	
Signature	Date 1-12-08



Phase II NO_x Averaging Plan

For more information, see instructions and refer to 40 CFR 76.11

Page 1

This submission is: New Revised

Page 1 of 4

STEP 1

Identify the units participating in this averaging plan by plant name, State, and boiler ID# from NADB. In column (a), fill in each unit's applicable emission limitation from 40 CFR 76.5, 76.6, or 76.7. In column (b), assign an alternative contemporaneous annual emissions limitation (ACEL) in lb/mmBtu to each unit. In column (c), assign an annual heat input limitation in mmBtu to each unit. Continue to page 3 if necessary.

Plant Name	State	ID#	(a) Emission Limitation	(b) ACEL	(c) Annual Heat Input Limit
Kyger Creek	OH	1	0.84	0.84	NA*
Kyger Creek	OH	2	0.84	0.84	NA*
Kyger Creek	OH	3	0.84	0.84	NA*
Kyger Creek	OH	4	0.84	0.84	NA*
Kyger Creek	OH	5	0.84	0.84	NA*
Clifty Creek	IN	1	0.84	0.84	NA*
Clifty Creek	IN	2	0.84	0.84	NA*
Clifty Creek	IN	3	0.84	0.84	NA*
Clifty Creek	IN	4	0.84	0.84	NA*

STEP 2

Use the formula to enter the Btu-weighted annual emission rate averaged over the units if they are operated in accordance with the proposed averaging plan and the Btu-weighted annual average emission rate for the same units if they are operated in compliance with 40 CFR 76.5, 76.6, or 76.7. The former must be less than or equal to the latter.

Btu-weighted annual emission rate averaged over the units if they are operated in accordance with the proposed averaging plan

0.84

$$\frac{\sum_{i=1}^n (R_{Li} \times HI_i)}{\sum_{i=1}^n HI_i}$$

Btu-weighted annual average emission rate for same units operated in compliance with 40 CFR 76.5, 76.6 or 76.7

0.84

$$\frac{\sum_{i=1}^n [R_i \times HI_i]}{\sum_{i=1}^n HI_i}$$

≤

Where,

- R_{Li} = Alternative contemporaneous annual emission limitation for unit i, in lb/mmBtu, as specified in column (b) of Step 1;
- R_i = Applicable emission limitation for unit i, in lb/mmBtu, as specified in column (a) of Step 1;
- HI_i = Annual heat input for unit i, in mmBtu, as specified in column (c) of Step 1;
- n = Number of units in the averaging plan

*See Attachment

Kyger Creek/Clifty Creek
Plant Name (from Step 1)

NO_x Averaging - Page 2

STEP 3

Mark one of the two options and enter dates.

This plan is effective for calendar year 1-1-2012 through calendar year 12-31-16 unless notification to terminate the plan is given.

Treat this plan as identical plans, each effective for one calendar year for the following calendar years: _____, _____, _____ and _____ unless notification to terminate one or more of these plans is given.

STEP 4

Read the special provisions and certification, enter the name of the designated representative, and sign and date.

Special Provisions

Emission Limitations

Each affected unit in an approved averaging plan is in compliance with the Acid Rain emission limitation for NO_x under the plan only if the following requirements are met:

- (i) For each unit, the unit's actual annual average emission rate for the calendar year, in lb/mmBtu, is less than or equal to its alternative contemporaneous annual emission limitation in the averaging plan, and
- (a) For each unit with an alternative contemporaneous emission limitation less stringent than the applicable emission limitation in 40 CFR 76.5, 76.6, or 76.7, the actual annual heat input for the calendar year does not exceed the annual heat input limit in the averaging plan,
- (b) For each unit with an alternative contemporaneous emission limitation more stringent than the applicable emission limitation in 40 CFR 76.5, 76.6, or 76.7, the actual annual heat input for the calendar year is not less than the annual heat input limit in the averaging plan, or
- (ii) If one or more of the units does not meet the requirements of (i), the designated representative shall demonstrate, in accordance with 40 CFR 76.11(d)(1)(ii)(A) and (B), that the actual Btu-weighted annual average emission rate for the units in the plan is less than or equal to the Btu-weighted annual average rate for the same units had they each been operated, during the same period of time, in compliance with the applicable emission limitations in 40 CFR 76.5, 76.6, or 76.7.
- (iii) If there is a successful group showing of compliance under 40 CFR 76.11(d)(1)(ii)(A) and (B) for a calendar year, then all units in the averaging plan shall be deemed to be in compliance for that year with their alternative contemporaneous emission limitations and annual heat input limits under (i).

Liability

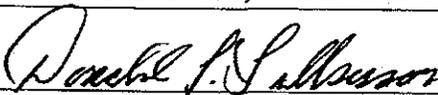
The owners and operators of a unit governed by an approved averaging plan shall be liable for any violation of the plan or this section at that unit or any other unit in the plan, including liability for fulfilling the obligations specified in part 77 of this chapter and sections 113 and 411 of the Act.

Termination

The designated representative may submit a notification to terminate an approved averaging plan, in accordance with 40 CFR 72.40(d), no later than October 1 of the calendar year for which the plan is to be terminated.

Certification

I am authorized to make this submission on behalf of the owners and operators of the affected source or affected units for which the submission is made. I certify under penalty of law that I have personally examined, and am familiar with, the statements and information submitted in this document and all its attachments. Based on my inquiry of those individuals with primary responsibility for obtaining the information, I certify that the statements and information are to the best of my knowledge and belief true, accurate, and complete. I am aware that there are significant penalties for submitting false statements and information or omitting required statements and information, including the possibility of fine or imprisonment.

Name Donald T. Fulkerson, Acid Rain Designated Representative	
Signature 	Date 1-12-11

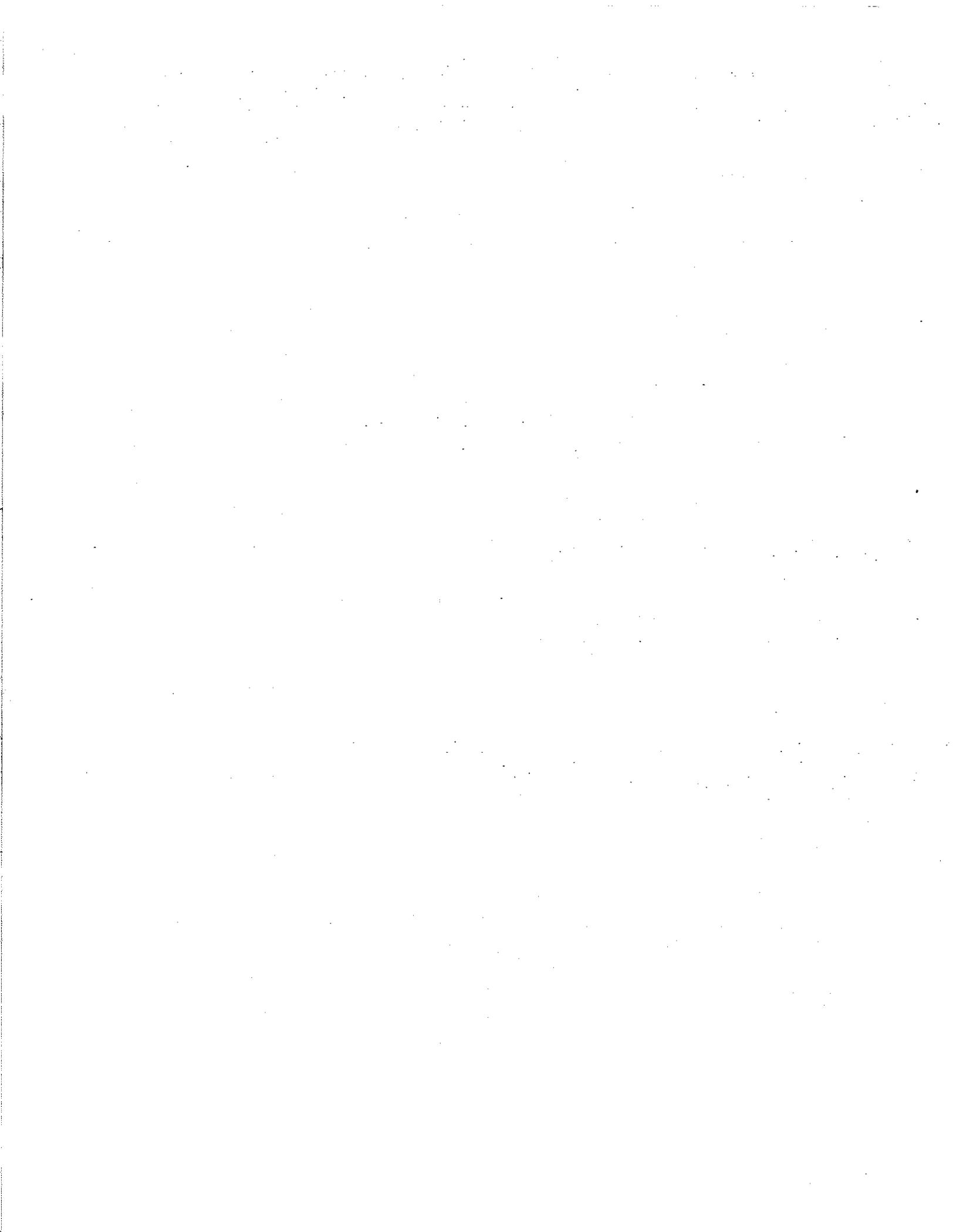
Attachment To Phase II NO_x Averaging Plan For
Units 1 through 5 at Ohio Valley Electric Corporation's
Kyger Creek Station and Units 1 through 6 at
Indiana-Kentucky Electric Corporation's Clifty Creek Station

Annual heat input limits have not been included in Step 1, Column c of the Phase II NO_x Averaging Plan for Units 1 through 5 at the Kyger Creek Station and Units 1 through 6 at the Clifty Creek Station since the applicable emission limitations from 40 CFR 76.5, 76.6, or 76.7 (listed in Step 1, Column a) and the alternative contemporaneous emission limitations (listed in Step 1, Column b) are the same for all units.

As stated in 40 CFR 76.11(a)(4), each unit included in an averaging plan shall have a minimum allowable annual heat input value (mmBtu), if it has an alternative contemporaneous annual emission limitation more stringent than that unit's applicable emission limitation under 40 CFR 76.5, 76.6, or 76.7, and a maximum allowable annual heat input value, if it has an alternate contemporaneous annual emission limitation less stringent than that unit's applicable emission limitation under 40 CFR 76.5, 76.6, or 76.7.

Since the applicable emission limitations from 40 CFR 76.5, 76.6, or 76.7 and the alternative contemporaneous emission limitations are the same for all units at the Kyger Creek and Clifty Creek Stations, and no heat input limitations are required, compliance will be demonstrated in accordance with Equation 2 in 40 CFR 76.11(d)(ii)(A).

In addition, Units 1 through 5 at the Kyger Creek Station are exhausted to a single common stack. At the Clifty Creek Station, Units 1, 2, and 3 are exhausted to a common stack (Stack 1) and Units 4, 5, and 6 are exhausted to a common stack (Stack 2). The actual annual heat input values and the actual annual average NO_x emission rate values measured and recorded by the Part 75 continuous emission monitoring systems in these three common stacks will be used in Equation 2 to demonstrate compliance.





INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

We Protect Hoosiers and Our Environment.

Mitchell E. Daniels Jr.
Governor

Thomas W. Easterly
Commissioner

100 North Senate Avenue
Indianapolis, Indiana 46204
(317) 232-8603
Toll Free (800) 451-6027
www.idem.IN.gov

SENT VIA U.S. MAIL: CONFIRMED DELIVERY AND SIGNATURE REQUESTED

TO: Donald Fulkerson
IKEC – Clifty Creek Station
P.O. Box 468
Piketon, OH 45661

DATE: July 7, 2011

FROM: Matt Stuckey, Branch Chief
Permits Branch
Office of Air Quality

SUBJECT: Final Decision
Acid Rain
077-30123-00001

Enclosed is the final decision and supporting materials for the air permit application referenced above. Please note that this packet contains the original, signed, permit documents.

The final decision is being sent to you because our records indicate that you are the contact person for this application. However, if you are not the appropriate person within your company to receive this document, please forward it to the correct person.

A copy of the final decision and supporting materials has also been sent via standard mail to:
OAQ Permits Branch Interested Parties List

If you have technical questions regarding the enclosed documents, please contact the Office of Air Quality, Permits Branch at (317) 233-0178, or toll-free at 1-800-451-6027 (ext. 3-0178), and ask to speak to the permit reviewer who prepared the permit. If you think you have received this document in error, please contact Joanne Smiddie-Brush of my staff at 1-800-451-6027 (ext 3-0185), or via e-mail at jbrush@idem.IN.gov.

Final Applicant Cover letter.dot 11/30/07



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Toll Free (800) 451-6027
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July 7, 2011

TO: Madison Jefferson County Public Library

From: Matthew Stuckey, Branch Chief
Permits Branch
Office of Air Quality

Subject: **Important Information for Display Regarding a Final Determination**

Applicant Name: IKEC – Clifty Creek Station
Permit Number: 077-30123-00001

You previously received information to make available to the public during the public comment period of a draft permit. Enclosed is a copy of the final decision and supporting materials for the same project. Please place the enclosed information along with the information you previously received. To ensure that your patrons have ample opportunity to review the enclosed permit, **we ask that you retain this document for at least 60 days.**

The applicant is responsible for placing a copy of the application in your library. If the permit application is not on file, or if you have any questions concerning this public review process, please contact Joanne Smiddie-Brush, OAQ Permits Administration Section at 1-800-451-6027, extension 3-0185.

Enclosures
Final Library.dot 11/30/07

Mail Code 61-53

IDEM Staff	MIDENNEY 7/7/2011 Indiana-Kentucky Electric Corporation - Clifty Creek 077-30123-00001 (final)		AFFIX STAMP HERE IF USED AS CERTIFICATE OF MAILING
Name and address of Sender	 Indiana Department of Environmental Management Office of Air Quality – Permits Branch 100 N. Senate Indianapolis, IN 46204	Type of Mail: CERTIFICATE OF MAILING ONLY	

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1		Donald T Fulkerson Indiana-Kentucky Electric Corporation - Clifty Cre PO Box 468 Piketon OH 45661-0468 (Source CAATS) via confirm delivery										
2		Jefferson County Health Department 715 Green Rd Madison IN 47250-2143 (Health Department)										
3		Madison Jefferson Co Public Library 420 W Main St Madison IN 47250-3796 (Library)										
4		Madison City Council and Mayors Office 101 W. Main St. Madison IN 47250 (Local Official)										
5		Meredith Gregg 509 W. Main Street Madison IN 47250 (Affected Party)										
6		C J Keller 241 Holcroft Road Madison IN 47250 (Affected Party)										
7		Mr. David C. Bender McGillivray Westerberg & Bender LLC 305 S Paterson St Madison WI 53703 (Affected Party)										
8		Mr. Richard Hill SAVE THE VALLEY INC 3800 W H&H RUSTIC LANE PO BOX 813 MADISON IN 47250 (Affected Party)										
9		Jefferson County Commissioners & Planning Board 300 E Main Street Madison IN 47250 (Local Official)										
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